

Approved

NSL

Order

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Cabinet Secretary

**Adrienne E. Sandoval, Director**  
Oil Conservation Division



April 15, 2021

Ms. Kaitlyn A. Luck  
[kaluck@hollandhart.com](mailto:kaluck@hollandhart.com)

NON-STANDARD LOCATION

**Administrative Order NSL-8163**

**EOG Resources, Inc. [OGRID 7377]  
Driver 14 Federal Com Well No. 505H  
API No. 30-025-PENDING**

**Proposed Location**

	<b>Footages</b>	<b>Unit/Lot</b>	<b>Sec.</b>	<b>Twsp</b>	<b>Range</b>	<b>County</b>
Surface	1021 FSL & 1176 FEL	P	14	23S	33E	Lea
First Take Point	100 FSL & 1332 FEL	P	14	23S	33E	Lea
Last Take Point/ Terminus	100 FNL & 1951 FEL	B	11	23S	33E	Lea

**Proposed Horizontal Units**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
E/2 W/2 & W/2 E/2 of Section 14	640	Bell Lake; Bone Spring,	5150
E/2 W/2 & W/2 E/2 of Section 11		North	

Reference is made to your application received on March 25, 2021.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent.

This well's completed interval is as close as 12 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 14, encroachment to the E/2 E/2

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

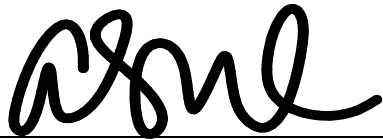
Division understands you are seeking this unorthodox location as your preferred well spacing for horizontal wells in this area. Therefore, preventing waste within the Bone Spring formation underlying E/2 W/2, the W/2 E/2 of Section 14 and the E/2 W/2, W/2 E/2 of Section 11.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



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**ADRIENNE E. SANDOVAL**  
**Division Director**

AES/lrl

cc: Oil Conservation Division – Hobbs District Office  
Bureau of Land Management – Carlsbad Field Office  
State Land Office – Oil, Gas, and Minerals Division